

DEPARTMENT OF BUDGET AND FISCAL SERVICES

KA 'OIHANA MĀLAMA MO'OHELU A KĀLĀ

CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR
MEIA



ANDREW T. KAWANO
DIRECTOR
PO'O

CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

June 10, 2026

The Honorable Tommy Waters
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

Dear Chair Waters and Councilmembers:

SUBJECT: Resolution Authorizing the Issuance and Sale Not To Exceed
\$11,000,000 Principal Amount of City and County of Honolulu
General Obligation Bonds to Finance the Capital Costs of the
Honolulu Rail Transit Project

We are submitting the attached draft resolution authorizing the issuance and sale not to exceed \$11,000,000 principal amount of City and County of Honolulu ("City") General Obligation Bonds to finance the capital costs of the Honolulu Rail Transit Project ("HRTTP"). The \$10,000,000 is the City Subsidy for fiscal year 2027 which is included in the Honolulu Authority for Rapid Transportation ("HART) Recovery Plan of 2022 for the HRTTP dated June 3, 2022, and approved by the Federal Transit Authority in September 2022.

Due to uncertainty of future interest rates in the market, the not to exceed amount of \$11,000,000 in the draft resolution is set higher than the actual City's subsidy to HART of \$10,000,000. The excess amount is to cover any costs of issuance or potential discount amounts which is a possibility in the current market conditions.

The Honorable Tommy Waters
Chair and Presiding Officer
and Members
June 10, 2026
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Your favorable action on this resolution is respectfully requested. If you have any questions, please call me at (808) 768-3901.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew T. Kawano".

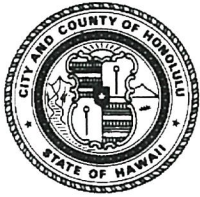
Andrew T. Kawano
Director

Attachment

APPROVED:

A handwritten signature in black ink, appearing to read "Krishna F. Jayaram".

Krishna F. Jayaram, Managing Director Designate
Office of the Managing Director



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

No. _____

RESOLUTION

AUTHORIZING THE DIRECTOR OF BUDGET AND FISCAL SERVICES TO ISSUE AND SELL IN ONE OR MORE SERIES NOT TO EXCEED \$11,000,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY AND COUNTY OF HONOLULU FOR FINANCING THE AMOUNT APPROPRIATED IN ORDINANCE NO. 26-__ (ALSO REFERRED TO, UPON ITS APPROVAL, AS BILL 23 (2026), CD2, FD1, AND AS MAY BE FURTHER AMENDED) OF THE CITY AND COUNTY OF HONOLULU FOR THE PURPOSE OF FINANCING CAPITAL COSTS OF THE HONOLULU RAIL TRANSIT PROJECT.

WHEREAS, Ordinance No. 26-__ (also referred to, upon its approval, as Bill 24 (2026) and as may be further amended) authorizes the issuance and sale of general obligation bonds of the City and County of Honolulu (the "City") in an aggregate of the amount appropriated in the Capital Budget Ordinance for Fiscal Year July 1, 2026 to June 30, 2027, including for the purpose of financing capital costs of the Honolulu High Capacity Transit Corridor Project, now known as the Honolulu Rail Transit Project; and

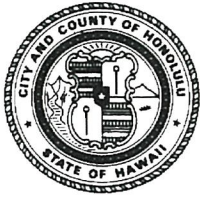
WHEREAS, Ordinance No. 99-11 authorizes the issuance and sale of general obligation bonds of the City for the purpose of refunding certain outstanding general obligation bonds of the City theretofore or thereafter issued, provided that pursuant to Section 7 thereof the sale is approved by resolution of this Council; and

WHEREAS, said ordinances authorize said general obligation bonds of the City to be sold in their entirety at one time as a separate series of general obligation bonds of the City, or as a part of a series of other general obligation bonds of the City or from time to time in series; and

WHEREAS, the Council adopted Resolution 18-237 on October 30, 2018, which approved an agreement (the "Original Agreement") entered into by the Honolulu Authority for Rapid Transportation ("HART") and the City regarding the obligations of HART to the City and the City to HART concerning said bonds; and

WHEREAS, the Council adopted Resolution 19-286, CD1, FD1 on December 4, 2019, which approved the First Amended and Restated Agreement between the City and HART regarding the obligations of HART to the City and the City to HART concerning said bonds; and

WHEREAS, said ordinances provide that the Council shall by resolution determine the principal amount of bonds authorized thereby to be offered for sale; now therefore,



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

No. _____

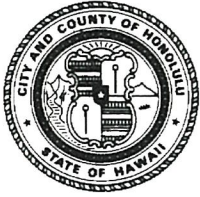
RESOLUTION

BE IT RESOLVED, by the Council of the City and County of Honolulu that of the total amount of bonds authorized for issuance and sale by Ordinance No. 26-__ (also referred to, upon its approval, as Bill 24 (2026) and as may be further amended) and 99-11, the Director of Budget and Fiscal Services ("BFS") be and is hereby authorized to offer general obligation bonds at competitive sale or negotiate the sale in one or more series up to but not to exceed \$11,000,000 in aggregate principal amount for the purposes provided in said ordinances, upon such terms and conditions and at such price or prices as the Director of BFS shall deem in the best interest of the City; and

BE IT FURTHER RESOLVED, that the Director of BFS be and is hereby authorized to issue bonds of each series in their entirety at one time as a separate series of general obligation bonds of the City, or as a part of a series of other general obligation bonds of the City or from time to time in series; and

BE IT FURTHER RESOLVED, that pursuant to Section 47-7, Hawai'i Revised Statutes ("HRS"), the Director of BFS be and is hereby authorized to fix and determine the form, date, denomination, maturity and other terms of the bonds of each series, which shall mature in substantially equal installments of principal, or mature in substantially equal installments of both principal and interest, the first installment of which shall mature not later than five years from the date of the bonds of such series and the last installment of which shall mature not later than twenty-five years from the date of the bonds of such series; and

BE IT FURTHER RESOLVED, that pursuant to Section 47-8, HRS, the bonds shall bear interest at such rate or rates or at such varying rates determined from time to time in such manner as the Director of BFS shall determine; provided however that in the event that all or any of such series of such bonds shall bear interest at a rate or rates which may vary from time to time or with a right of holders to tender bonds of such series for purchase, or both, the Director of BFS be and is hereby authorized and shall, in accordance with Section 47-11, HRS, contract for such credit support or liquidity facility or facilities and remarketing and tender arrangements as are required to market the bonds of such series or series to the greatest advantage of the City, upon such terms and conditions as the Director of BFS deems necessary and proper, and any and all such contracts are hereby approved and shall be deemed approved by this resolution. In addition, the Director of BFS may procure insurance for the payment of the principal of and interest on all or any of the bonds; and



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RESOLUTION

BE IT FURTHER RESOLVED, that the bonds of each series shall be substantially in the form of the general obligation bonds of the City heretofore issued, with such omissions from such form, such insertions therein and such variations thereto as shall be deemed necessary and desirable to reflect the provisions of the Constitution and statutes of the State of Hawai'i, the Charter and ordinances of the City, this resolution and the terms of such bonds. The bonds of each series shall have such further details as shall be determined by the Director of BFS consistent with the provisions of Chapter 47, HRS; and

BE IT FINALLY RESOLVED, by the Council of the City and County of Honolulu that the Clerk be and is directed to transmit copies of this resolution to the Director of BFS and to the Chief of Treasury.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawai'i

Councilmembers

Report Title: Issuance and Sale of General Obligation Bonds, Series 2026 for HART.

Description: Recommendation of the adoption of the Resolution authorizing the issuance and sale not to exceed principal amount of General Obligation Bonds to finance the capital costs of the Honolulu Rail Transit Project (“HRTTP”); Capital Budget Ordinance for Fiscal Year July 1, 2026 to June 30, 2027; Honolulu Authority for Rapid Transportation (“HART”); Budget and Fiscal Services.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.